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THE AGRICULTURAL SITUATION

A Brief Summary of Economic Conditions

ISSUED MONTHLY BY THE BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

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AN ERRATIC SUPPLY AND PRICE SITUATION

The crops are, of course, made and this month will wind up the late harvest. Notwithstanding that frosts have held off well, it is a year of exceedingly short crops throughout the northern United States. Wheat, corn, oats, hay, and potatoes are all small crops. Were it not for supplies of old grain and hay, the feed situation would be serious. In fact, the cattle and sheep men of the western range country already have been hard pressed and have a still bigger problem ahead to winter their stock.

The South has fared better in point of crop yields, except around the Gulf region where storm damage was severe last month.

Markets and prices have become a difficult matter to analyze. It is no longer possible to judge which of the new and extraordinary influences predominates in making the price of a given commodity. Most observers agree that the rising price of gold (the falling dollar) has played a major part in pushing up the general level of commodity prices. The fact may well be stressed that American farmers are now buying and selling under one condition which this generation has never before seen: That is, a fluctuating price for gold. Since we went off the gold standard in April the prices of basic commodities have, in general, followed the trend of gold prices.

Direct governmental action is playing a part, notably in the case of cotton and tobacco. The campaign to reduce wheat acreage has been a factor in wheat prices; the extremely short crops of wheat this summer would have been a bullish influence in any event. The governmental slaughter of 6,000,000 young pigs, plus the tight feed situation, seems likely to strengthen the hog market this coming season. Potatoes have made a striking advance in price since last spring, and whether nature or the falling dollar have been chiefly responsible is open to conjecture.

One difficulty about the stimulus given to prices is that it has been selective. Reports indicate that cattle raisers, dairymen, poultrymen, and most hog producers are still in a very difficult position.

Nevertheless, the hope has been widespread among farmers that ultimately all important farm products would gain the advantage that normally should come to them with a general rise in commodity prices. And there is still reason to think that this hope is well founded.

THE HOG SITUATION

SMALLER SLAUGHTER SUPPLIES IN PROSPECT

A material change in the prospective supplies of hogs for the marketing year which begins October 1, 1933, from those indicated by the June 1933 pig report, has occurred since the report was made. This report showed an increase of 1,433,000 pigs, or 3 percent, in the spring crop and an 8 percent increase in sows to farrow in the fall of 1933. Unfavorable production conditions that have developed since June, however, and the slaughter under the emergency Federal hog production control plan of about 6,000,000 pigs prior to October 1, will result in smaller supplies of hogs for slaughter during the new marketing year than were in prospect earlier.

HIGHER HOG PRICES THIS WINTER?

In view of the sharp curtailment in slaughter supplies of hogs for the 7 months (Oct. 1, 1933, to May 1, 1934) a rather substantial advance in hog prices during this period seems certain. When this advance will take place, and its extent, will depend considerably on how the marketings of the remainder of the spring pig crop will be distributed.

SHORT FEED CROPS

Widespread drought during the June to August period has greatly reduced feed supplies for the coming year in most of the important hog producing sections. The 1933 corn crop is the third smallest in the last 35 years. The relationship between hog prices and corn prices during the last 3 months has been very unfavorable for hog production and it is likely to continue unfavorable until at least early 1934. This unfavorable relationship is expected to cause the 1933 fall pig crop to be much smaller than it otherwise would have been had feed supplies been more plentiful and relatively lower in price.

The pigs slaughtered under the hog-production control plan, which was put into effect August 23 and is expected to continue to October 1, are mostly from the 1933 spring crop and in the normal course of production the greater part would probably have been slaughtered between January 1 and May 1, 1934. Only a very small proportion of these pigs are being used for the production of edible products and such products will not enter the regular domestic distribution channels.

LARGER STOCKS OF PORK IN STORAGE

The sharp reduction in the prospective supplies of hogs for slaughter during the first 7 months of the new marketing year as a result of the Government pig-slaughter operations may be offset to some extent by larger-than-average stocks of hog products in storage at the beginning of the marketing year. Hog slaughter under Federal inspection during the marketing year ending September 30, 1933, apparently will total about 47,200,000 head (not including pigs and sows slaughtered under the emergency hog-production control plan). This is the largest crop-year slaughter since 1928-29, and the proportion of the yearly total coming to market during the 4 months, May to August, was the second largest on record. The movement of pork and lard into storage during these 4 months was the largest on record, and the increase in total stocks on September 1 over those of a year earlier was the equivalent of 1,860,000 hogs. It is the general prac-

tice to reduce storage stocks to the lowest levels of the storage year (which begins November 1) by November 1 or December 1. In view of the prospective decrease in hog supplies from this year's spring pig crop and the very large stocks of pork and lard now in storage, the carry-over of storage holdings into the new marketing year will be considerably above average.

Although the domestic demand for hog products is now at a very low level, a slight improvement in this demand has occurred during recent months. Further improvement in consumer demand for pork and lard during the 1933-34 marketing year will depend upon a further increase in consumer incomes.

FOREIGN MARKET NOT ENCOURAGING

Despite the fact that hog production in competing European countries is declining, there appears to be little prospect for an expansion in the foreign outlet for American hog products. Higher import duties on lard in Germany and the continuation of the British quota system for cured pork imports probably will restrict United States exports of hog products during 1933-34 to the low level of the last 2 years.

DOMESTIC SUPPLIES

The 1933 spring pig crop for the United States was estimated at 51,030,000 head. This represents an increase of about 1,433,000 head, or 3 percent, over the 1932 spring pig crop. In the Corn Belt States, where about 90 percent of the commercial supply of hogs is produced, the estimated pig crop for the spring of 1933 totaled 40,949,000 head which was 4 percent larger than the 1932 spring pig crop in those States.

The largest increase in the 1933 spring pig crop was in the Eastern Corn Belt, where the crop was estimated at 8 percent larger than that of 1932. Increases were reported in all States in this group except Wisconsin. In Ohio and Indiana, the reported increases were 12 and 14 percent, respectively. The present year was the third successive year in which the spring pig crop in the eastern Corn Belt has increased.

In the western Corn Belt, the increase in the 1933 spring pig crop over that of 1932 amounted to 3 percent. There was considerable variation in the changes in the pig crop in the various States of this group. Indicated increases ranged from 1 percent in Minnesota to 22 percent in South Dakota. A decrease of 10 percent was reported for North Dakota, and the crop in Iowa was about 1 percent smaller than that of a year earlier.

In the other regions of the United States, except in the Western States, little change was reported in the number of pigs saved in the spring of 1933 as compared with the spring of 1932. A decrease of 3 percent was indicated for the North Atlantic States, 1 percent increase was reported in the South Central States, and no change was indicated in the South Atlantic States. In the Western States there was a decrease of 11 percent.

The June pig report indicated a large increase in the number of sows to farrow in the fall season of 1933, if farmers carry out their intentions as expressed at the time the survey was made. This increase amounted to 8 percent for the United States and 13 percent for the Corn Belt. The reported increase for the Corn Belt States

was offset in part by indicated decreases in all other areas. Increases in fall farrowings were reported in all of the Corn Belt States except Michigan where no change was indicated. The increase amounted to 16 percent for the western Corn Belt and 9 percent for the eastern Corn Belt.

SUPPLY OUTLOOK HAS CHANGED

Developments since June 1, however, indicate a material change in fall farrowing plans from those indicated at that time. Drought over widespread areas in the Corn Belt which has prevailed since early June has resulted in a marked reduction in the 1933 corn crop from that of 1932. Since late May and early June, hog prices have declined and corn prices have advanced and the hog-corn price ratio in July and August was the lowest in many years. From July 1932 to April 1933 this ratio was relatively high. The recent unfavorable relationship between hog prices and corn prices, together with other developments, is likely to result in little, if any increase, in the 1933 fall pig crop over that of 1932, with a decrease not improbable.

In late August of this year the Department of Agriculture, under the terms of the Agricultural Adjustment Act, put into effect an emergency program designed to reduce market supplies of hogs during the 1933-34 marketing year. Under this program it is planned to purchase nearly 6,000,000 pigs weighing less than 100 pounds at a considerable premium over the prevailing market price for such pigs. Prices which are being paid at Chicago vary from \$6 per 100 pounds for pigs weighing from 96 to 100 pounds to \$9.50 per 100 pounds for pigs weighing from 25 to 30 pounds. Prices at other markets are fixed at specified differentials above or below the Chicago prices as conditions justify. In addition to the buying of pigs, the plan also provides for the purchase of about 1,000,000 sows due to farrow this fall and weighing in excess of 240 pounds. These sows are being purchased at a premium of \$4 per head above the prevailing market price and are not subject to dockage. The slaughter of these pigs and sows is being carried on by packing establishments operating under Federal inspection. Only a very small proportion of this slaughter is being used for the production of edible products and such products will not enter the regular domestic distribution channels.

The marketing season for the spring pig crop is very largely from October to April, inclusive. Inspected slaughter of hogs during this period in 1932-33 totaled 27,762,000 head, a decrease of 8.6 percent from the slaughter in the corresponding months of 1931-32. Based on the estimate of the 1933 spring pig crop, slaughter from October 1933 to April 1934 would have shown an increase of from 3 to 5 percent over that of the same period a year earlier. However, because of the present emergency program of buying spring pigs, a reduction in hog marketings during these months of about 15 percent seems probable and inspected slaughter during the period will be much the smallest since 1921-22.

By far the greater part of the decrease in inspected hog slaughter from October 1, 1933, to May 1, 1934, from that of the same period a year earlier is expected to occur after January 1. How this reduction will take place, however, will depend upon hog producers' reactions to the unusual situation prevailing and upon what action, if any, is taken by the Hog Production Control Administration to penalize heavy-

weight hogs. Very few of the pigs bought for Government account would have been slaughtered until after January 1, and these purchases have made little change in the supply that would otherwise have been slaughtered from October 1 to January 1.

If no pigs had been slaughtered, the increased number of spring pigs, the shortage of corn, and the unfavorable hog-corn ratio would have resulted in a much heavier slaughter in the 3 months, October to December this year, than in that period of 1932. The increase might have been 15 to 20 percent. This increased number is still available for slaughter but the supply situation as a whole has been greatly changed. If producers generally decide that the shortage of supplies will occur after January 1, with a corresponding advance in hog prices, there may be a marked tendency to hold pigs until late in the season to get the benefit of this advance. This would result in higher prices early in the season than otherwise would prevail, and less advance later. These higher prices earlier would tend to make the hog-corn ratio more favorable for feeding and to further encourage a holding policy.

The supply of pigs for slaughter for Government account has apparently come in much larger relative proportion from the western Corn Belt than from the eastern, although the increase in the spring pig crop was larger this year in the eastern Corn Belt. Hence, the supply of spring pigs in the eastern Corn Belt on October 1 probably will not be greatly reduced from what it was on October 1, 1932. Normally, a relatively large proportion of total hog marketings from October 1 to January 1 are from the eastern Corn Belt. With the corn crop generally short in that area, an early marketing of spring pigs is still to be expected.

The number of spring pigs left in the western Corn Belt on October 1, 1933, will be much smaller than a year earlier. In this area there may be a marked tendency to hold pigs until late in the season to get the price benefits from the curtailed supply. If, however, some action is taken to further reduce pork and lard production by placing a heavy price penalty on heavy hogs this may tend to restrict such a holding movement. In view of the unusual and uncertain conditions now prevailing no very definite conclusion can be reached as to the distribution of slaughter. It is most likely, however, that slaughter from October 1 to January 1 will be a relatively large proportion of the 7 months (October 1, 1933, to May 1, 1934) slaughter and that the reduction from last year will be much less in the 3 months before January 1 than in the 4 months after January 1.

Federally inspected slaughter of hogs during the marketing year ending September 30, 1933, apparently will total approximately 47,200,000 head as compared with 46,655,000 in 1931-32. Slaughter during the present marketing year apparently will be the largest since 1928-29. All of this increase has occurred since April 1933; slaughter from October 1932 to March 1933 showed a decrease of about 10 percent from that of the same months in 1931-32. The period from May to September is usually considered as the marketing season for the fall pig crop. Inspected slaughter during the May to September period this year probably will amount to about 19,400,000 head, the largest total for these months on record. Slaughter from May to September this year also will represent the second largest proportion of the total marketing year slaughter for any year on record. The

average live weight of hogs slaughtered under Federal inspection for the 1932-33 marketing year of about 232 pounds was 2 percent greater than the average weight in 1931-32, consequently the increase in the total live weight of hogs slaughtered will be relatively greater than the increase in numbers of hogs slaughtered.

STORAGE SUPPLIES

The storage situation for hog products has changed greatly during the present marketing year. Storage holdings on November 1, 1932, at the beginning of the storage season were below average, and storage accumulations until April of this year continued relatively small. Storage accumulations since April, however, have been very large. The relatively large slaughter supplies of hogs during the summer months and the activity in the speculative hog products' market early in the summer were the principal factors resulting in the very large into-storage movement of the hog products from May to September of this year.

Although the relatively large increase in slaughter supplies this summer has been accompanied by some increase in the movement of hog products into domestic consumption, a considerable part of this increase in hog slaughter has been reflected in the larger storage stocks of pork and lard. Storage holdings of pork on September 1, 1933, totaling 753,000,000 pounds, were 30 percent larger than on that date a year earlier and 20 percent greater than the 5-year September 1 average. Holdings of lard on September 1, amounting to 224,000,000 pounds were 123 percent larger than on September 1, 1932, and were the largest for all dates on record.

Storage supplies of pork usually reach a maximum in the spring and decrease thereafter until the late fall when a minimum is reached. Holdings of lard are usually at maximum volume in the late summer and at a minimum in early winter. The large net accumulation of storage holdings of pork from May to September this year, therefore, is in marked contrast to the usual seasonal movement. The increase in storage holdings of hog products on September 1 this year compared with September 1, 1932, was equivalent to about 1,860,000 hogs. Most of the surplus storage stocks held on September 1 are usually disposed of before the beginning of the new packing season, November 1. In view of the prospective decrease in hog supplies from this year's spring pig crop and the very large stocks of pork and lard now in storage, it is not unlikely that the carry-over of storage holdings into the new storage year will be considerably above average. If stocks of pork on November 1 should be equal to the largest for that date in the post-war period of 506,000,000 pounds in 1923, the reduction from September 1 to November 1 would amount to 247,000,000 pounds; and if stocks of lard should equal the post-war November 1 peak of about 100,000,000 pounds reached in 1929, the decrease from September 1 to November 1 would total 124,000,000 pounds. Such reductions would compare with the 5-year average of 199,000,000 pounds of pork and 63,000,000 pounds of lard, and the largest post-war reductions of 250,000,000 pounds of pork in 1928 and 95,000,000 pounds of lard in 1927. Storage holdings of 506,000,000 pounds of pork and of 100,000,000 pounds of lard on November 1 would exceed the 5-year (1928-32) average stocks of that date by 80,000,000 pounds of pork and 34,000,000 pounds of lard. Such increases would be equivalent to the products of about 700,000 hogs.

FEED SUPPLIES

Widespread drought conditions have prevailed during most of the 1933 crop-growing season and feed supplies for the coming year will be greatly reduced. The present feed situation is even more serious than in 1930, when feed-crop production was also sharply curtailed by drought. The situation is further complicated because of the increase in numbers of livestock during the last 2 years, especially in the areas most seriously affected by the drought.

The total tonnage of feed grains produced in 1933 is expected to be about 26 percent smaller than last year and about 19 percent below the average yearly production during the last 10 years. The decrease in feed-grain production more than offsets the large carry-over of corn and oats on farms and indicates a total supply slightly less than in 1930, when there was less livestock on hand. Hay production in 1933 is also below last year and below average. The condition of pastures generally and of ranges in the Western States on September 1 was the second lowest on record for that date.

The 1933 corn crop, which was estimated on September 1 at 2,285,000,000 bushels, was 21 percent smaller than the 1932 crop and was the third smallest in at least 35 years. The greatest reduction in the corn crop this year for any important region was in the eastern Corn Belt where corn production in 1933, as estimated on September 1, was about 30 percent smaller than the 1932 crop.

Corn production in the western Corn Belt, as a whole, will not be reduced so much as in the eastern Corn Belt, although the reduction in some States will be relatively larger than in any of the eastern Corn Belt States. For the entire area, the 1933 corn crop is estimated as being 23 percent smaller than that of 1932. The greatest reduction was in South Dakota, where the crop this year is nearly 60 percent smaller than that of last year. The decreases in Kansas and Missouri are 34 and 29 percent, respectively. In both Iowa and Minnesota the reduction amounts to about 20 percent, but in Nebraska the decrease is only 13 percent.

In the areas outside the Corn Belt, corn production is only slightly smaller than last year, but the production of other feed crops and wheat in these regions is much below average. In the entire country, the areas most severely affected by drought conditions this year include most of the Panhandle and Lower Plains area of Texas, western Oklahoma, western Kansas, and most of South Dakota. There are, however, some sections in southeastern North Dakota and southwestern Minnesota where conditions are almost equally as bad. With the exception of portions of Iowa and Nebraska, there appear to be no large areas in which the quantity of feed available will be as much as average.

Corn prices have advanced greatly since March 1933. The United States average farm price of corn on August 15 was 49 cents per bushel compared with 21 cents on March 15, and 30 cents on August 15, 1932. Hog prices in mid-August, however, were lower than a year earlier. Based on farm prices as of the 15th of the month, the hog-corn price ratio for the Corn Belt States was 8.9 in August this year compared with 15.3 in August 1932 and it was the lowest ratio for the month since 1924.

DOMESTIC DEMAND

Consumer demand for hog products declined greatly from early 1930 to the spring of the present year. Although per capita consumption of pork and lard during the last 3 years has been only about average, drastic declines in retail prices of these products have occurred during this period. In the first quarter of 1933 the domestic demand for pork and lard continued to weaken, but some evidence of improvement has developed since April. For the hog marketing year to date, however, the level of demand has averaged below that of a year earlier. Per capita consumption of federally inspected pork and lard from October 1932 to July 1933, amounting to 48.1 pounds, was slightly less than that of the same months of the preceding marketing year. Despite this slight reduction in consumption, retail prices of hog products at New York during the same period averaged about 20 percent lower. In the first 10 months of the 1932-33 hog marketing year the index of retail prices of all foods for the entire country as reported by the United States Bureau of Labor Statistics averaged about 11 percent lower than in the corresponding months of 1931-32.

Since April of this year retail prices of pork and lard have advanced somewhat but such prices are still below those of a year earlier. Retail prices of other meats also advanced slightly during this period. Part of this advance in prices of all meats may have been seasonal in character but, with the total supply of all meats entering consumption channels from April to August much larger than average, such a price advance indicates some strengthening in consumer demand. This apparent improvement in the domestic demand for pork and lard has been due chiefly to the improvements in the industrial and financial situation which have occurred since March 1933.

A marked increase in industrial activity occurred during the period from March to July, and it was accompanied by substantial increases in employment and pay rolls. The Federal Reserve Board index of Industrial Production increased more than 60 percent during this period, and the indexes of employment and pay rolls as reported by the Bureau of Labor Statistics increased 22 and 39 percent, respectively. During the latter half of July the rapid rate of increase in industrial production was checked, and recessions in many lines of production occurred during August. Although some recession in business activity has occurred since mid-July, employment and pay rolls have continued to increase. The increases in employment and pay rolls during the last 6 months have not been so great as the increase in industrial production, but they have been more marked than usual in the early phases of business recovery and have increased consumer buying power considerably. Although only a moderate improvement in the demand for pork and lard has occurred as yet, further improvement will occur if employment and pay rolls continue to increase. A material improvement in the domestic demand for pork and lard during 1933-34 marketing year, therefore, will depend upon a substantial increase in consumer incomes.

FOREIGN COMPETITION AND DEMAND

The outstanding factors in the foreign markets for American hog products are: (1) The import quotas on cured pork now in effect in Great Britain, and (2) the very high import duties imposed by Ger-

many on lard. Indications are that, under the quotas as drawn and as contemplated, American cured pork exports in 1933-34 may be smaller than the unusually small exports during the last 2 years. In the case of lard, a marked curtailment of the German market may be expected to result in relatively small exports of this product from the United States in 1933-34. Because of these governmental restrictions to trade the reduction in European hog numbers now in progress is not an important strengthening factor in the foreign demand situation for American hog products.

Total exports of hog products from the United States during the first 10 months of the present marketing year, amounting to 593,000,000 pounds, were about 1 percent larger than in the corresponding period in 1931-32, but they were about 4 percent smaller than in those months of 1930-31. The level of exports during the last 3 years, however, has been much below that of other postwar years. Both pork and lard exports for the marketing year thus far have been slightly larger than a year earlier, but as compared with the average of the last 10 years, lard exports have been more nearly maintained than pork exports.

PRICES

After declining almost steadily since early 1930, hog prices reached the lowest level in more than 50 years in late December 1932. From January to April of this year the trend in prices was slightly upward largely as a result of reduced slaughter supplies. Primarily because of the expectation of rising prices, a strong speculative demand for hog products developed in April and hog prices advanced sharply during May. The average price of hogs at Chicago in May was \$4.51 per 100 pounds, the highest monthly average for that market since November 1931. This advance was partially maintained during June and July, despite the largest hog slaughter on record for the 3-month period May to July. With supplies continuing relatively large, hog prices declined during August; the average price of hogs at Chicago during that month was \$3.97 per 100 pounds compared with \$4.21 in August 1932. During the first half of September, however, hog marketings were reduced and prices advanced somewhat.

During the summer months and during most of the year, prices of heavy-weight hogs are usually somewhat lower than prices of light-weight and medium-weight hogs, but from April to July of this year heavy-weight hogs sold at about the same price as medium-weight hogs and at a slightly higher price than light-weight hogs. The strong speculative demand for lard during this period probably was largely responsible for the higher relative prices of heavy-weight hogs. During August, however, prices of heavy-weight butcher hogs declined much more than those of other weights of butcher hogs. Prices of packing sows also declined sharply, and are now relatively low compared with prices of butcher hogs.

The total live weight of hogs slaughtered under Federal inspection during the first 10 months of the current marketing year was about 2.3 percent larger than in the corresponding period of the preceding year, and the average price paid by packers for the 10 months in 1932-33 was \$3.63 per 100 pounds or about 40 cents per 100 pounds less than in the same months a year earlier. The total amount paid by packers for hogs slaughtered under Federal inspec-

tion from October 1932 to July 1933 was about \$339,000,000, compared with \$369,000,000 in the same period of 1931-32. This represents a decrease of 8 percent.

From report of this Bureau, issued September 20, 1933.

STORM DAMAGE AROUND THE GULF

From September 4 to 6 two tropical storms raged almost simultaneously in Florida and the Lower Rio Grande Valley of Texas. Special surveys of the damage to citrus crops were started in both States as soon as the storms subsided. In Texas the work was delayed, due to the difficulty of establishing communication.

A careful check in both States shows the loss in the Florida area to be about 25 percent for grapefruit and 10 percent for oranges and tangerines. In Texas, the loss in the grapefruit crop amounted to about 88 percent. The reports from the States follow:

In Florida.—The damage to citrus was heaviest through the Ridge section of Highlands and Polk Counties, the most important grapefruit area in the State. For the State as a whole the loss of grapefruit will average at least 25 percent and may run higher, as the loss to fruit remaining on the trees cannot be accurately determined at present. Loss of oranges and tangerines is estimated at 10 percent. The estimated loss includes an allowance for damaged fruit still on trees.

In Texas.—During the period September 9 to 11 a survey was made of the citrus groves in the Lower Rio Grande Valley in an effort to determine the extent of damage.

In Cameron County the loss of fruit was nearly 100 percent. It is believed that the approximately 1 percent remaining on trees in Cameron County is worthless, as it is badly bruised and exposed to the sun due to the defoliating of the trees.

In the Mission, Edinburg areas, the counts indicate that about 20 percent of the fruit remains on the trees. Of this 20 percent some fruit is damaged and continues to drop. Allowing 5 percent remaining for the balance of the valley, the amount of fruit saved would be 10 percent. There is not 5 percent of the Cameron County crop on trees, but considerable stock was harvested prior to the storm and some fallen fruit is being salvaged.

It is expected that the fruit that ultimately hangs to the trees will size up better than it would have, had the storm not hit, but it is hard to determine how much increase in tonnage can be allowed for extra sizing, also it is still impossible to tell how much of the fruit on trees will finally fall.

It is believed the damage will not exceed 90 percent and will not be less than 85 percent. Probably 12 percent would be a close figure for the fruit saved, considering tonnage and not numbers of fruit. Counts were made of grapefruit; oranges suffered somewhat less than grapefruit did.

In Cameron County, particularly, there was a great deal of damage to trees. Many were broken over and still many more lost limbs. Young trees suffered less than large trees. It would seem that the productive power of groves has been lessened for the next few seasons at least. Coupled with the immediate damage to the trees is the probability that due to the financial condition of the growers there

will be a resultant lack of care and that trees will not make as rapid and as complete recovery as they should.

The actual loss of vegetables was not great due to the early date of the storm. Only a few fall vegetables and early seed beds for winter crops had been planted. Nearly all of these fall vegetables and seed beds were lost, however, some cabbage plants survived in Hidalgo County.

Winter crops.—If seed loans become easily available, the acreage of such winter crops as cabbage, carrots, beets, and miscellaneous truck will be heavy in the valley. This will probably be true as well of the spring acreage of tomatoes, beans, and potatoes. It will be well into January before there can be any appreciable tonnage of vegetable crops moving from the area. Growers will have to start all over in most cases, including the preparation of the land. Hidalgo County received less rain and drainage is more rapid and will start plantings much ahead of Cameron County. Probably the major portion of the contemplated vegetable increase will be in Hidalgo.

Other areas of the State are preparing to take advantage of the plight of growers in the valley. Vegetable plantings will be heavy in the Corpus Christi area. Rains have delayed preparation of land at Corpus Christi, but a few days of dry weather would result in feverish activity. Seed houses are dispensing seed less freely this season unless the growers can put up some cash, but the cotton growers in the Corpus Christi area have money to finance seed in greater quantity than at any time in recent seasons. Government aid to cotton growers through the plow-up program and the payment of cash to growers appears to be a direct blow to strictly vegetable growers in this State.

THE DAIRY MARKET SITUATION

One of the principal features of the dairy-market situation the past month has been the unprecedented production of butter and cheese. New high records for the month were established in August, and trade reports since the first of this month indicate that the September output will also be unusually large. Another feature of importance is the storage situation, with both butter and cheese having increased since September 1 above the amounts which even then were the highest on record for any date since storage reports first became available in 1915. Still another outstanding feature is the price situation. Regardless of unusually heavy supplies, prices have held steady.

In the matter of prices, there are probably several reasons to which the steady trend may be attributed. In the first place, dairy-products prices are considerably below parity in relation to the 1910-14 base period, which is the goal under the present agricultural-adjustment program. Butter prices are well above a year ago, and cheese prices are slightly lower, but both are far below the average of the past 5 years. A sincere desire on the part of all concerned to help restore a parity price level is probably one factor supporting the price situation. While production has been and still is very heavy, there is some feeling that this may not continue, and that the present relationship with last year will change later on, which would of course affect the supply situation. Furthermore, there is some anticipation as to what the developments may be with respect to the butter stabilization program which is being worked out since the proposal was submitted by the representatives of the industry a month ago.

All of these points taken together have at least lent sufficient support to offset the effect of such weakening influences as have prevailed. Butter prices are going to average some 2 cents higher this month than last, and cheese will average a small fraction lower. In relation to a year ago, butter will be about 3 cents higher, and cheese about one half cent lower. Average fluid milk prices show a slight advance again this month, both to producers and to consumers.

August production of butter and cheese is estimated to have exceeded that of August 1932 by 11.5 percent and 12.7 percent respectively. The estimate on butter is 166,884,000 pounds, which is an increase of 17 million pounds above August last year. The seasonal decline under July was but 6 percent, compared with an average decline of 16 percent. This situation, along with the lower rate of consumption referred to later, explains the excessive into-storage movement last month. The unusual gain in August makes for a total increase during the first 8 months of 1933 of 29 million pounds, or 2.4 percent, above the corresponding period of 1932. All of this gain occurred in July and August. Outstanding increases in butter production have occurred recently in Minnesota and Iowa particularly, but heavy increases also are credited to many other States which are important butter producers. The one exception to this is Wisconsin, where the August butter increase over 1932 was only 1.3 percent, but this is explained by the apparent switch to cheese, and the resultant increase of 20 percent in the production of that product. Estimated total cheese production in August of 49,927,000 pounds, most of which was American type, represents an increase over August, 1932 of 5½ million pounds.

The latest figures available on trade output, or apparent consumption, are also for August, and show decreases of all manufactured dairy products. The increases are 6.4 percent for butter, 13 percent for cheese, 0.6 percent for condensed milk and 39 percent for evaporated milk. The latter is in marked contrast to the substantial increases which were reported for previous months. It is to be noted, however, that evaporated milk production has been exceedingly heavy all of this year, and that while stocks in manufacturers' hands early in the year were very low, at one time being only a fourth as large as a year earlier, they have increased and are now approaching those of a year ago. During August these stocks increased 45½ million pounds, being an accumulation instead of the usual August reduction. Regardless of this recent change, however, evaporated milk is the one product which shows an increased trade output this year over 1932 for the January to August, inclusive, period. While evaporated milk increased 14 percent, butter decreased 3.8 percent, cheese 3.5 percent, and condensed milk 14.3 percent. No figures are at hand as to changes which have occurred with respect to consumption of fluid milk. Market receipts of milk at New York City and Boston are running lower than in 1932, although at Philadelphia they are heavier. The combined trade output of butter, cheese, condensed and evaporated milk in terms of milk equivalent was 3.3 percent below 1932 for the calendar year to September 1. Production of these products, on the other hand, was 3.7 percent in the other direction during the same period.

L. M. DAVIS,
Division of Dairy and Poultry Products.

SUMMARY OF DAIRY STATISTICS

[Millions of pounds; 000,000 omitted]

PRODUCTION

Product	August			January to August, inclusive		
	1933	1932	Percent change	1933	1932	Percent change
Creamery butter-----	167	150	+11. 5	1, 243	1, 214	+2. 4
Cheese-----	50	44	+12. 7	368	342	+7. 5
Condensed milk-----	16	16	-3. 9	134	166	-19. 0
Evaporated milk ¹ -----	150	135	+11. 1	1, 321	1, 158	+14. 1
Total milk equivalent-----	4, 417	3, 963	+11. 5	33, 427	32, 230	+3. 7

APPARENT CONSUMPTION

[Including production, changes in stocks, and net imports or exports]

Creamery butter-----	143	152	-6. 4	1, 090	1, 133	-3. 8
Cheese-----	39	45	-13. 0	360	373	-3. 5
Condensed milk-----	17	17	-0. 6	124	145	-14. 3
Evaporated milk-----	102	167	-39. 1	1, 221	1, 071	+14. 0
Total milk equivalent-----	3, 685	4, 112	-10. 3	29, 559	30, 566	-3. 3

¹ Case goods only.

THE EGG AND POULTRY MARKET SITUATION

The egg market in September held in a steady to firm position following the decline in prices which began in late July and ended the middle of August. From this point to late September, prices at New York advanced 6½ to 7 cents per dozen on mixed colors from the Middle West, 6 to 11½ cents on whites from nearby eastern areas, and 11 to 11½ cents on whites from the Pacific coast. These advances were due primarily to a rather sharp decline in production beginning in August, although there was at the same time a slight improvement in consumer requirements, that has also carried over into the opening fall months. Trade out-put of eggs at the 4 leading markets the first 3 weeks in September was about 2 percent larger than a year ago, which, following a decrease of about 13 percent for the first 8 months of this year, was very encouraging. Prices, however, were several cents lower than they were a year ago.

Receipts of eggs at the 4 markets for the first 3 weeks of September were about 7 percent smaller than those of the corresponding period last year. As receipts declined and prices advanced, jobbers and distributors with retail outlets began to draw more heavily on their storage reserves, and they were followed later by others, as retailers in general came into the market for eggs which could be sold at prices that would appeal to those consumers who were unable to pay the relatively high price asked for fresh eggs. Quotations on cold-storage eggs were irregular, but for the most part showed a narrow margin over original buying costs and carrying charges to date. It is reported that many dealers appeared anxious to move some of their stocks as early in the season as possible, and although not willing to make any sales that entailed a loss, were nevertheless ready to accept any offer that showed a profit. As a result of this attitude, eggs so far have moved out of storage at a slightly more rapid rate than a year ago, although perhaps not as rapidly as the much heavier stocks would seem to

justify. Reductions in stocks at 26 of the most important storage centers for the first three weeks of September was about 34 percent larger than a year ago.

Shell eggs in storage on September 1 amounted to 8,941,000 cases, compared with 5,960,000 cases on September 1 last year, and a 5-year average of 8,768,000 cases. Frozen eggs in storage amounted to 102,488,000 pounds, compared with 92,967,000 cases on September 1 last year, and 98,453,000 cases for the 5-year average. With stocks of all eggs much above those of last year, and also slightly above average, and with demand showing only a small improvement, the more cautious operators have been inclined to follow a very conservative policy and work as many eggs into consumption as possible during the period of declining fresh-egg production. The number of hens and pullets in farm laying flocks on September 1 was slightly below the number on the same date last year, while production of eggs on that date was the smallest in the 9-year record available and 8 percent less than in 1932. On the basis of this, the opinion is held in some quarters that fresh-egg supplies within the next 6 to 8 weeks will be very light, and that there will be a good opportunity to move a large part of the present heavy storage reserves into consumption by December 1.

The market on dressed poultry held steady and practically unchanged during September except on fowl, prices for which moved 2 cents higher. Receipts of fowl the latter part of August and most of September were very light, and prices might have gone slightly higher had it not been for the heavy stocks in storage, accumulated in late June and early July when there was a rush of fowls to market. Receipts of broilers 2 pounds and under declined seasonally and the market for these weights was firm. Weights of 2 pounds and over, however, were in more liberal supply and somewhat in excess of current requirements. There was practically no speculative buying of broilers of this size, and dealers were inclined to shade prices about 1 cent per pound rather than to accumulate stocks. Roasting chickens increased in supply, but were readily absorbed at unchanged prices.

Stocks of dressed poultry in storage on September 1 amounted to 47,753,000 pounds compared with 30,305,000 pounds on the same date last year, and a 5-year average of 41,141,000 pounds. While the stocks of all classes of poultry were larger, with the exception of ducks and turkeys, those for fowls were particularly large, amounting to 12,420,000 pounds compared with 3,490,000 pounds a year earlier and 5,755,000 pounds for the 5-year average.

Although the stocks of poultry in storage at the present time are sufficiently large to be a matter of concern in some quarters, the outlook for the poultry markets on the whole seems to be fairly healthy. Toward the close of September receipts at the principal markets were inclined to lag behind those of a year earlier, while it appeared that the trade output for the month would be somewhat larger than in September last year. Receipts of roasting chickens will, of course, increase seasonally during the next few months, but supplies of fowl will probably continue to be moderate and the market firm. The season for fresh-killed broilers in large volume is now practically over, and dealers are now giving considerable attention to frozen broilers for a part of their trade.

B. H. BENNETT,
Division of Dairy and Poultry Products.

THE WORLD WHEAT SITUATION**PROBABILITY OF HIGHER PRICES**

The smaller world crop for the current season and the constructive nature of the London Wheat Agreement seem likely to result in some advance of world wheat prices, from recent levels. During the latter part of September wheat prices at Liverpool, when expressed in terms of gold, fell below 50 cents per bushel. They are consequently about as low as they were during December and February of last season. In terms of United States currency, the price of December futures at Liverpool has been fluctuating in the vicinity of 70 to 75 cents a bushel during the past month, whereas December futures at Chicago have fluctuated from about 85 to 98 cents per bushel.

The downward course of world market prices since the close of July had probably been due largely to the improvement in prospects for the European crop. Though changes in crop estimates were small, practically all the changes were upward. Forty-one Northern Hemisphere countries are now estimated to have a total wheat crop of 3,001,000,000 bushels for the year compared with 3,228,000,000 bushels in 1932, or a crop of 227,000,000 bushels smaller this year than last.

EUROPE'S REQUIREMENTS ABOUT LIKE LAST YEAR

This year's wheat crop in the importing countries of Europe is estimated to be but little larger than last year in spite of extremely large crops in France and Germany. It is to be expected consequently, that European importations will not be greatly different from what they were a year ago. Due to the distribution of the crop and a rather large carry-over in France, some reduction in total European takings during 1933-34 seems likely, however.

A larger part of these imports is likely to be supplied by the exporting countries of the Danube Basin than was the case last year, but with a smaller crop in North Africa, prospects are that the European and non-European importing countries will absorb all of the quotas (totaling 462,000,000 bushels) allotted the four principal overseas exporting countries at the London Wheat Conference.

PROBABILITY OF SMALL RUSSIAN EXPORTS

Russian exports must, of course, be taken account of. Thus far Russian shipments have followed a course very similar to that of last year, exports amounting to nothing during July and August, and then increasing during the first half of September. Last year net exports from Russia amounted to only 16,457,000 bushels. While they may be somewhat larger during the current season, it does not seem that this will be a year of large Russian exports, despite reports of excellent crops from that country. The high yields of this year appear to be primarily in regions not favorably situated for exporting, and furthermore the last year's famine conditions may be expected to result in a more cautious policy in regard to exporting needed cereal supplies.

MOVING THE PACIFIC COAST SURPLUS

Governmental aid in removing the pressure of the export surplus from the Pacific coast markets promises to insure the continuance of materially higher prices in the United States than in world markets throughout most, if not all, of the remainder of the present season. Plans have been worked out to aid in the exporting of wheat from the Pacific Northwest. While there appears to be some surplus of hard red winter wheat east of the Rocky Mountains available for export, storage facilities are ample for carrying this amount of wheat over into another year, and it is only in the Pacific Northwest that the export surplus has been pressing upon the market and tending to depress prices to an export basis.

SPREAD BETWEEN CHICAGO AND LIVERPOOL

Prices of wheat futures at Chicago have been somewhat above corresponding futures at Liverpool ever since March. During recent months, Chicago December futures have ranged in the vicinity of 15 to 25 cents a bushel higher than at Liverpool. A spread of more than 25 cents per bushel is not to be expected, however, for as the spread increases to this point, there begins to be likelihood of imports from Canada and Argentina.

(From report of this Bureau, issued Sept. 30, 1933.)

PRICES OF FARM PRODUCTS

Estimates of average prices received by producers at local farm markets based on reports to the division of crop and livestock estimates of this Bureau. Average of reports covering the United States, weighted according to relative importance of district and State.

Product	5-year average, August 1909- July 1914	Septem- ber average, 1910-14	Septem- ber 1932	August 1933	Septem- ber 1933
Cotton, per pound--cents	12.4	11.4	7.2	8.8	8.8
Corn, per bushel--do--	64.2	71.7	28.0	48.8	46.5
Wheat, per bushel--do--	88.4	87.4	37.4	74.7	71.1
Hay, per ton-----dollars	11.87	11.63	6.80	7.53	7.53
Potatoes, per bushel--cents	69.7	74.8	38.0	131.0	100.8
Oats, per bushel--do--	39.9	39.0	14.4	32.2	32.3
Beef cattle, per 100 pounds dollars	5.21	5.35	4.31	3.79	3.61
Hogs, per 100 pounds--do--	7.22	7.61	3.78	3.79	3.73
Eggs, per dozen----cents	21.5	20.8	17.2	13.3	16.3
Butter, per pound--do--	25.5	25.3	19.9	20.4	21.1
Butterfat, per pound--do--	26.3	25.9	17.6	18.4	19.6
Wool, per pound--do--	17.8	17.3	9.1	22.5	23.0
Veal calves, per 100 pounds dollars	6.75	7.03	5.12	4.75	4.96
Lambs, per 100 pounds dollars	5.90	5.63	4.11	5.26	5.08
Horses, each-----do--	142.00	140.00	59.00	71.00	69.00

COLD-STORAGE SITUATION

(Sept. 1 holdings, shows nearest millions; i.e., 000,000 omitted)

Commodity	5-year average	Year ago	Month ago	Septem- ber 1933
Frozen and preserved fruits--pounds	85	92	69	67
40 percent cream---40-quart cans	-----	¹ 324	¹ 199	¹ 166
Creamery butter-----pounds	132	107	151	175
American cheese-----do--	82	67	83	94
Frozen eggs-----do--	98	93	108	102
Shell eggs-----cases	18,768	¹ 5,960	¹ 9,507	¹ 8,941
Total poultry-----pounds	41	30	45	48
Total beef-----do--	40	24	42	48
Total pork-----do--	625	579	808	753
Lard-----do--	129	101	219	224
Lamb and mutton, frozen-----do--	2	1	2	1
Total meats-----do--	734	650	926	876

¹ 3 ciphers omitted.

PRICE INDEXES FOR JUNE 1933

Farm products figures from this Bureau; commodity groups from Bureau of Labor Statistics (latter shown to nearest whole number). Shows year ago and latest available month.

FARM PRODUCTS

[Prices received by producers, August 1909-July 1914=100]

Product	August 1932	July 1933	August 1933	Month's trend
Cotton-----	52	85	71	Lower.
Corn-----	47	86	76	Do.
Wheat-----	44	98	84	Do.
Hay-----	57	59	63	Higher.
Potatoes-----	74	140	188	Do.
Beef cattle-----	84	76	73	Lower.
Hogs-----	56	55	52	Do.
Eggs-----	68	61	62	Higher.
Butter-----	77	84	80	Lower.
Wool-----	42	126	126	Unchanged.

COMMODITY GROUPS

[Wholesale prices, 1910-14=100]¹

Group	August 1932	July 1933	August 1933	Month's trend
Farm products-----	69	84	81	Lower.
Foods-----	96	102	100	Do.
Hides and leather prod- ucts-----	108	134	142	Higher.
Textile products-----	96	121	132	Do.
Fuel and lighting-----	137	124	124	Unchanged.
Metals and metal prod- ucts-----	94	94	95	Higher.
Building materials-----	126	144	147	Do.
Chemicals and drugs-----	90	90	90	Unchanged.
House-furnishing goods-----	135	137	142	Higher.
All commodities-----	95	101	102	Do.

¹ Indexes as published by the Bureau of Labor Statistics divided by the following averages for 1910-14: Farm products, 71.3; foods, 64.5; hides and leather products, 64.5; textile products, 56.3; fuel and lighting, 52.7; metals and metal products, 85.3; building materials, 55.2; chemicals and drugs, 81.2; house-furnishing goods, 54.6; and all commodities, 68.5.

GENERAL TREND OF PRICES AND WAGES

[1910-14=100].

Year and month	Wholesale prices of all com- modities ¹	Industrial wages ²	Prices paid by farmers for commodities used in— ³			Farm wages	Taxes ⁴
			Living	Produc- tion	Living- produc- tion		
1910	103	-----	98	98	98	97	-----
1911	95	-----	100	103	102	97	-----
1912	101	-----	101	98	99	101	-----
1913	102	-----	100	102	101	104	-----
1914	99	-----	102	99	100	101	100
1915	102	101	107	104	105	102	102
1916	125	114	124	124	124	112	104
1917	172	129	147	151	149	140	106
1918	192	160	177	174	175	176	118
1919	202	185	210	192	200	206	130
1920	225	222	222	174	194	239	155
1921	142	203	161	141	150	150	217
1922	141	197	156	139	146	146	232
1923	147	214	160	141	149	166	246
1924	143	218	159	143	150	166	249
1925	151	223	164	147	154	168	250
1926	146	229	162	146	153	171	253
1927	139	231	159	145	151	170	258
1928	141	232	160	148	153	169	263
1929	139	236	158	147	152	170	267
1930	126	226	148	140	144	152	266
1931	107	207	126	122	124	116	
1932	95	178	108	107	107	86	
August:							
1921	136	200	-----	-----	-----	-----	-----
1922	144	198	-----	-----	-----	-----	-----
1923	143	214	-----	149	-----	-----	-----
1924	142	216	-----	150	-----	-----	-----
1925	152	222	-----	154	-----	-----	-----
1926	145	227	-----	153	-----	-----	-----
1927	139	231	-----	152	-----	-----	-----
1928	142	231	-----	154	-----	-----	-----
1929	141	237	-----	152	-----	-----	-----
1930	123	224	-----	145	-----	-----	-----
1931	105	207	-----	122	-----	-----	-----
1932	95	173	-----	107	-----	-----	-----
1933							
January	89	164	-----	102	74	-----	-----
February	87	164	-----	101	-----	-----	-----
March	88	163	99	101	100	-----	-----
April	88	165	-----	101	73	-----	-----
May	92	169	-----	102	-----	-----	-----
June	95	172	102	104	103	-----	-----
July	101	176	-----	107	78	-----	-----
August	102	176	-----	112	-----	-----	-----

¹ Bureau of Labor Statistics. Index obtained by dividing the new series 1926=100, by its pre-war average, 1910-14, 68.5.² Average weekly earnings, New York State factories. June 1914=100.³ Revised. These indexes are based on retail prices paid by farmers for commodities used in living and production reported quarterly for March, June, September, and December. The indexes for other months are straight interpolations between the successive quarterly indexes.⁴ Index of estimate of total taxes paid on all farm property, 1914=100.⁵ Preliminary.

GENERAL TREND OF PRICES AND PURCHASING POWER

[On 5-year base, August 1909-July 1914=100]

Year and month	Index numbers of farm prices							Prices paid by farmers for commodities bought ¹	Ratio of prices received to prices paid ²
	Grains	Fruits and vegetables	Cotton and cotton-seed	Meat animals	Dairy products	Poultry products	All groups		
1910-----	104	91	113	103	100	104	103	98	105
1911-----	96	106	101	87	97	91	95	102	93
1912-----	106	110	87	95	103	101	99	99	100
1913-----	92	92	97	108	100	101	100	101	99
1914-----	103	100	85	112	100	105	102	100	102
1915-----	120	83	78	104	98	103	100	105	95
1916-----	126	123	119	120	102	116	117	124	94
1917-----	217	202	187	173	125	157	176	149	118
1918-----	226	162	245	202	152	185	200	175	114
1919-----	231	189	247	206	173	206	209	200	104
1920-----	231	249	248	173	188	222	205	194	106
1921-----	112	148	101	108	148	161	116	150	77
1922-----	105	152	156	113	134	139	124	146	84
1923-----	114	136	216	106	148	145	135	149	90
1924-----	129	124	211	109	134	147	134	150	89
1925-----	156	160	177	139	137	161	147	154	95
1926-----	129	189	122	146	136	156	136	153	89
1927-----	128	155	128	139	138	141	131	151	87
1928-----	130	146	152	150	140	150	139	153	91
1929-----	121	136	145	156	140	159	138	152	91
1930-----	100	158	102	134	123	126	117	144	81
1931-----	63	98	63	93	94	96	80	124	65
1932-----	44	71	46	63	70	80	57	107	53
Sept. 1921--	100	171	130	101	140	156	118		
1922-----	97	109	160	112	133	132	119		
1923-----	111	131	204	112	145	144	132	149	89
1924-----	140	113	175	115	126	153	132	151	87
1925-----	148	142	178	143	137	152	144	153	94
1926-----	121	136	134	148	133	155	134	153	88
1927-----	134	145	179	142	135	143	140	152	92
1928-----	117	127	142	174	141	156	141	153	92
1929-----	131	160	146	156	139	165	141	152	93
1930-----	100	148	83	128	123	125	111	144	77
1931-----	50	83	47	86	92	99	72	120	60
1932-----	41	68	57	67	67	84	59	106	56
1933-----									
January---	34	59	45	51	68	96	51	102	50
February--	34	57	44	53	62	57	49	101	49
March----	36	60	48	56	59	54	50	100	50
April----	47	66	49	57	59	56	53	101	52
May-----	62	68	65	65	63	62	62	102	61
June-----	63	74	69	66	65	55	64	103	62
July-----	94	103	84	66	71	67	76	107	71
August--	81	120	71	63	72	67	72	112	64
September-	78	101	69	62	76	77	70	116	60

¹ These index numbers are based on retail prices paid by farmers for commodities used in living and production, reported quarterly for March, June, September, and December. The indexes for other months are straight interpolations between the successive quarterly indexes.

² Revised.

THE TREND OF MOVEMENT TO MARKET

Figures show wheat, corn, hogs, cattle, and sheep receipts at primary markets; butter receipts at five markets, compiled by this Bureau.

Year and month	Receipts					
	Wheat	Corn	Hogs	Cattle	Sheep	Butter
Total:	<i>1,000 bushels</i>	<i>1,000 bushels</i>	<i>1,000</i>	<i>1,000</i>	<i>1,000</i>	<i>1,000 pounds</i>
1920--	332,091	209,079	42,121	22,197	23,538	402,755
1921--	416,179	338,216	41,101	19,787	24,168	468,150
1922--	413,106	378,598	44,068	23,218	22,364	526,714
1923--	386,430	271,858	55,330	23,211	22,025	545,380
1924--	482,007	278,719	55,414	23,695	22,201	587,477
1925--	346,381	223,604	43,929	24,067	22,100	574,489
1926--	362,876	234,873	39,772	23,872	23,868	572,935
1927--	455,991	241,245	41,411	22,763	23,935	581,592
1928--	495,450	335,149	46,527	21,477	25,597	577,929
1929--	437,681	264,934	43,715	20,387	26,834	602,665
1930--	402,398	247,483	40,774	19,166	29,808	584,196
1931--	420,758	172,514	39,537	19,617	33,022	609,611
1932--	255,042	150,064	35,030	17,333	29,303	610,785
August:						
1920--	40,832	9,228	2,491	1,963	2,606	44,446
1921--	68,919	30,061	2,656	1,867	2,500	51,923
1922--	59,694	24,708	3,037	2,149	1,951	50,915
1923--	63,012	20,845	3,714	2,214	1,800	47,497
1924--	88,461	18,841	3,196	1,934	2,005	57,282
1925--	41,928	17,488	2,549	2,245	2,064	57,556
1926--	67,952	11,513	2,804	1,997	2,277	50,476
1927--	78,909	17,023	3,041	2,065	2,209	57,446
1928--	78,372	20,485	2,523	1,829	2,362	55,339
1929--	97,041	18,414	2,964	1,619	2,544	54,885
1930--	79,643	19,827	2,617	1,605	2,583	44,821
1931--	57,438	11,489	2,454	1,822	3,270	45,588
1932--	38,545	15,182	2,405	1,606	2,919	52,082
1933						
January--	12,313	12,602	3,381	1,324	1,914	50,828
February--	9,164	13,078	2,699	1,137	1,795	44,750
March--	10,550	7,584	2,638	1,171	1,844	50,672
April--	15,151	17,410	2,798	1,296	2,096	48,072
May--	22,023	26,133	3,143	1,558	2,402	65,023
June--	25,662	34,237	3,361	1,449	2,091	73,116
July--	36,704	46,260	2,871	1,456	2,228	64,057
August--	25,496	11,591	3,917	1,657	2,752	63,877

THE TREND OF EXPORT MOVEMENT

Compiled from the Department of Commerce reports by the foreign agricultural service division of this Bureau.

Year and month	Wheat, ¹ including flour	Tobacco (leaf)	Bacon, ² hams, and shoulders	Lard ³	Apples (fresh)	Cotton, ⁴ running bales
Total:	1,000 bushels	1,000 pounds	1,000 pounds	1,000 pounds	1,000 bushels	1,000 bales
1920--	311, 601	467, 662	821, 922	612, 250	5, 393	6, 111
1921--	359, 021	515, 353	647, 680	868, 942	5, 809	6, 385
1922--	235, 307	430, 908	631, 452	766, 950	4, 945	6, 015
1923--	175, 190	474, 500	828, 890	1, 035, 382	8, 876	5, 224
1924--	241, 454	546, 555	637, 980	944, 095	10, 261	6, 653
1925--	138, 784	468, 471	467, 459	688, 829	10, 043	8, 362
1926--	193, 971	478, 773	351, 591	698, 961	16, 170	8, 916
1927--	228, 576	506, 252	237, 720	681, 303	15, 534	9, 199
1928--	151, 976	575, 408	248, 278	759, 722	13, 635	8, 546
1929--	154, 348	555, 347	275, 118	829, 328	16, 856	7, 418
1930--	149, 154	560, 958	216, 953	642, 486	15, 850	6, 474
1931--	125, 686	503, 531	123, 246	568, 708	17, 785	6, 849
1932--	82, 118	387, 768	84, 175	546, 184	16, 920	8, 916
August:						
1920--	32, 896	41, 239	32, 693	31, 021	72	145
1921--	67, 338	52, 815	77, 574	87, 411	59	416
1922--	39, 198	28, 958	51, 353	68, 907	171	268
1923--	20, 183	33, 480	69, 194	83, 758	356	241
1924--	21, 296	33, 410	52, 367	75, 937	408	272
1925--	12, 007	34, 890	31, 770	45, 740	285	313
1926--	35, 479	26, 263	29, 097	54, 273	368	385
1927--	28, 361	27, 817	16, 839	50, 816	524	322
1928--	14, 755	26, 200	24, 913	50, 658	534	253
1929--	17, 338	40, 406	24, 743	55, 487	361	226
1930--	24, 413	38, 716	18, 127	49, 287	447	366
1931--	11, 919	22, 302	9, 917	34, 510	550	211
1932--	5, 851	22, 149	5, 303	34, 973	413	452
1933						
January--	3, 313	26, 915	6, 666	78, 108	1, 766	794
February--	2, 175	23, 579	4, 989	57, 773	1, 422	557
March----	2, 105	35, 122	7, 062	47, 661	1, 218	488
April-----	1, 754	37, 618	8, 810	38, 741	346	436
May-----	1, 523	18, 962	7, 518	46, 038	146	592
June-----	1, 719	17, 375	11, 100	37, 941	51	615
July-----	1, 391	28, 828	10, 994	36, 200	130	692
August---	1, 721	23, 440	9, 385	35, 714	490	531

¹ Wheat flour is converted on a basis of 4.7 bushels of grain equal to 1 barrel of flour.

² Includes Cumberland and Wiltshire sides.

³ Excludes neutral lard.

⁴ Excludes linters.

AGRICULTURAL LOANS OUTSTANDING¹

[Millions of dollars]

Year and month	Farm mortgage loans by—				Federal intermediate-credit bank loans		Seed and crop production loans			Loans of regional agricultural credit corporations
	Federal land banks	Joint-stock land banks	39 life insurance companies	Member banks	To co-operative associations	To financing agencies	Advanced, current	Re-paid, current	Outstanding end of year or month	
1926-----	1,078	632	1,575	489	53	40	22	—	—	2
1927-----	1,156	667	1,606	478	32	44	—	—	—	2
1928-----	1,194	605	1,594	444	36	45	—	—	—	2
1929-----	1,197	585	1,579	388	26	50	6	5	3	3
1930-----	1,188	553	1,543	387	64	66	5	3	5	5
1931-----	1,163	530	1,503	359	45	75	54	6	53	53
1932										
January-----	1,158	525	1,502	—	43	75	—	4	49	—
June-----	1,139	470	1,458	363	36	80	68	8	109	—
September-----	1,129	454	1,434	368	19	83	—	7	102	—
December-----	1,116	409	1,402	356	10	83	—	12	90	24
1933										
January-----	1,112	3404	1,394	—	7	81	—	2	88	42
February-----	1,110	3399	1,382	—	7	80	—	2	86	62
March-----	1,107	3395	1,368	—	6	81	13	1	98	83
April-----	1,105	3390	1,357	—	5	78	34	1	131	107
May-----	1,103	3386	1,343	—	4	78	6	1	136	128
June-----	1,102	3382	1,322	308	4	78	3	1	138	145
July-----	1,101	3378	1,311	—	4	85	1	1	138	154
August-----	1,104	3375	—	—	5	102	—	5	133	158

¹ See Apr. 1932 issue for sources.⁴ Licensed banks only.² Total since 1921.⁵ Subject to revision.³ Omits \$53,000,000 owed Sept. 30, 1932, to 3 banks in receivership.

SELECTED INTEREST AND DISCOUNT RATES, AND BOND YIELDS

[Percentages]

Year and month	12 Federal land banks		60 high grade bond yields	Federal bonds	12 Federal intermediate credit banks' discount rates	Commercial paper rates (4-6 months, average)	Federal reserve bank; (New York) discount rate
	Rates to borrowers	Bond yields					
1917-----	5.05	4.33	4.80	—	—	4.74	4-4½
1920-----	5.50	5.14	5.88	5.45	—	7.46	4¾-7
1923-----	5.50	4.39	4.98	4.45	5.50	5.01	4-4½
1929-----	5.32	4.78	4.70	3.64	5.61	5.84	4½-6
1930-----	5.63	4.70	4.52	3.40	4.54	3.58	2½-4½
1931-----	5.63	5.34	4.70	3.46	4.08	2.62	1½-3½
1932—January	5.63	5.82	5.86	4.27	5.34	3.88	3½
June-----	5.63	5.95	6.72	3.78	4.10	2.75	3-2½
December-----	5.58	5.56	5.85	3.48	3.25	1.50	2½
1933—January-----	5.58	5.30	5.59	3.39	3.17	1.38	2½
February-----	5.58	5.24	5.73	3.47	3.10	1.38	2½
March-----	5.58	5.69	6.25	3.58	3.10	3.00	2½-3½
April-----	5.58	5.85	6.38	3.55	3.10	2.63	3-3½
May-----	5.58	5.60	5.78	3.48	3.10	2.13	3
June-----	5.58	5.54	5.37	3.40	3.10	1.75	3-2½
July-----	5.14	5.04	5.15	3.38	3.12	1.62	2½
August-----	5.00	5.00	5.12	3.40	3.13	1.50	2½

¹ Daily average. During July all 12 banks lowered rates on new mortgages to 5 percent; cost to borrowers through national farm loan associations 4½ percent for 5-year period following July 12.

GENERAL BUSINESS INDICATORS RELATED TO AGRICULTURE

Production, consumption, and movements	Aug. 1932	July 1933	Aug. 1933	Month's trend
<i>Production</i>				
Pig iron, daily (thousand tons)	17	58	59	Increase.
Bituminous coal (million tons)	22	29	34	Do.
Steel ingots (thousand long tons).	847	3, 204	2, 901	Decrease.
<i>Consumption</i>				
Cotton, by mills (thousand bales).	404	600	589	Do.
Unfilled orders, Steel Corporation (thousand tons).	1, 970	2, 020	1, 890	Do.
Building contracts in 37 Northeastern States (million dollars).	49	40	33	Do.
Hogs slaughtered (thousands)	1, 658	2, 136	2, 957	Increase.
Cattle slaughtered (thousands)	924	953	1, 068	Do.
Sheep slaughtered (thousands)	1, 447	1, 106	1, 249	Do.
<i>Movements</i>				
Bank debits (outside New York City) (billion dollars).	12	14	12	Decrease.
Carloadings (thousands)	2, 065	3, 109	2, 503	Do.
Mail-order sales (million dollars).	34	34	40	Increase.
Employees, New York State factories (thousands).	269	308	325	Do.
Average price 25 industrial stocks (dollars).	98	136	136	Unchanged.
Interest rate (4-6 months' paper, New York) (percent).	2. 25	1. 63	1. 50	Decrease.
Retail food price index (Department of Labor). ¹	101	105	107	Increase.
Wholesale price index (Department of Labor). ¹	65	69	70	Do.

¹ 1910-14 basis.

Data in the above table, excepting livestock slaughter and price indexes, are from the Survey of Current Business, Bureau of Foreign and Domestic Commerce, U.S. Department of Commerce.

